

12/22/2017 2:23PM FAX 2127358708

MORRISONCOHEN LLP

00002/0003

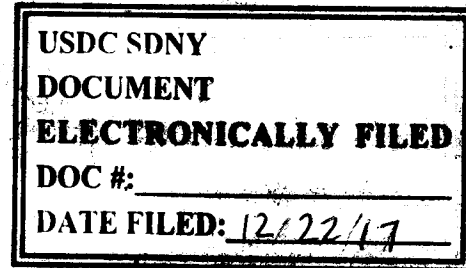
MorrisonCohenLLP

Jason P. Gottlieb
Partner
(212) 735-8837
jgottlieb@morrisoncohen.com

December 22, 2017

VIA FACSIMILE

The Honorable Victor Marrero
United States District Judge
Southern District of New York
500 Pearl Street, Suite 1040
New York, NY 10007



Re: In re Ability, Inc. Securities Litigation, Master File No. 16-cv-03893 (VM)

Dear Judge Marrero:

This firm represents Defendant Ability, Inc. ("Ability") in the above-referenced action. We submit this letter jointly with counsel for Co-Lead Plaintiffs Theodore Zwicker and Amctren L.P. ("Co-Lead Plaintiffs"), as well as with all other defendants (collectively, the "Defendants"), in accordance with the Court's Letter Endorsements of August 17, 2017 (ECF Dkt. No. 60), October 31, 2017 (ECF Dkt. No. 61), November 7, 2017 (ECF Dkt. No. 62), November 15, 2017 (ECF Dkt. No. 63), and November 28, 2017 (ECF Dkt. No. 64).

Pursuant to those Letter Endorsements, the Court directed the parties to inform the Court by December 22, 2017 regarding (i) their efforts to settle this action and (ii) whether the parties anticipate being able to settle.

As previously reported, all parties to the action participated in a mediation with Robert A. Meyer, Esq. of JAMS on October 17, 2017. Following the mediation, the parties continued to negotiate both directly and with the assistance of the mediator.

The parties are now pleased to report that they have reached an agreement in principle (and have signed a Memorandum of Understanding) to settle all of the claims in this action, pending approval by the Court. The parties are in the process of fully documenting the terms of the settlement agreement in a Stipulation of Settlement and its exhibits, which they intend to make their best efforts to submit to the Court within thirty (30) days of today.

In light of the parties' agreement, the parties respectfully request that the Court stay all schedules and deadlines in this action pending effectuation of the settlement. All parties agree to the present request. Per Section I(F) of the Court's Individual Practices, we note that the Court has previously granted letter requests modifying the scheduling order in this case. (ECF Dkt. Nos. 26, 33, 37, 60, 61, 62, 63, 64.)

12/22/17